



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 03/14/2008

GAIN Report Number: E48030

EU-27

Tree Nuts

Annual

2008

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Report Highlights: U.S. tree-nut exports are indispensable to the European market. They are a primary source of EU almond, walnut, and pistachio imports, and Europeans would likely need to change their eating habits, if it weren't for the quantity and quality of U.S. almond, walnut, pistachio, and hazelnut exports. As empirical evidence, when evaluating U.S.-European Union agricultural trade, the value of U.S. tree-nut exports tops U.S. line-item exports.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Madrid [SP1]
[SP]

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Executive Summary

This is the first European Union (EU) consolidated tree-nut report. Officials at the U.S. Department of Agriculture's Foreign Agricultural Service (FAS) in Washington, D.C. and stationed within the EU opted for this consolidated report rather than individual EU Member State reports, as a means of providing more valuable market information for U.S. tree-nut exporters, U.S. export associations, and U.S. Government Officials following EU agricultural policy developments.

We provide the reader a series of graphs in a separated Power Point presentation based on supply and demand information beginning in marketing year (MY) (Sep/Aug) 2000 through forecast MY 2008 for the entire EU-27, as it is constructed today. Our intention is to provide the reader with an analytical understanding of the evolution of the European tree-nut market, as a basis for understanding FAS estimates and forecasts for MY 2007 and MY 2008, respectively, and certainly, the overall trends within this very important market sector.

The report sets out EU tree-nut production, trade, and market-enhancement policies, which we will not update again until such time that the EC determines new policy strategies, or we ascertain that better information becomes available. The EC policies generally permit policy application flexibilities at the Member State level. Information about Member State application of the EC policies will reside with USDA/FAS Member State analysts.

The supply and demand tables in this report include hectares planted, harvested, and production statistics from the respective Member State Ministries of Agriculture, and from FAS Member State analysts for the estimates and forecasts. We used Global Trade Systems trade data, excluding EU intra-trade except in the case of current-year estimates and out-year forecasts. We used reasonable yet variable stocks levels that facilitate continued and consistent per capita domestic consumption and the Eurostat population data base for EU-27 population estimates.

From time-to-time, we will feature U.S. tree nut market opportunities in specific Member States or point the reader to specific market opportunity reports generated from FAS offices in specific Member States. Otherwise, we will only reference the overall EU market, which we believe is ultimately the interest of major U.S. tree nut exporters, export associations and U.S. Government officials.

EU Tree-Nut Production Policy

European Commission (EC) Regulation EC/1782/2003 establishes the over-arching rules for direct tree-nut production subsidies under the Common Agricultural Policy (CAP).

- Community Aid: Article 83 and 84, Paragraph 1
A Community aid shall be granted to farmers producing nuts under established conditions (Article 86). Almond, hazelnut, walnut, pistachio and locust bean producers will receive a general Community aid of 241.50 Euro per hectare; hazelnut producers will receive an additional aid of 105 Euros per hectare. Member States shall grant Community aid within the limit of a ceiling calculated by multiplying the number of hectares of its National Guaranteed Area (NGA) by the average amount of 120.75 Euro.
- Countries eligible and Hectare Limitations: Article 84, Paragraph 3

Country	National Guaranteed Area (NGA)
Belgium	100
Germany	1,500
France	17,300
Greece	41,100
Italy	130,100
Luxembourg	100
Netherlands	100
Austria	100
Portugal	41,300
Spain	568,200
United Kingdom	100

Unit : hectares

- National Aid: Article 87
Member States may grant a national aid, in addition to the Community aid, up to a maximum of 120.75 Euro/hectare/year.

EU Tree-Nut Trade Policy

Tariff Rate/Quotas: Annex I - EC 973/2006 establishes tariff rate quotas (TRQs) bound under GATT.

Combined Nomenclature/ TARIC subheading	Description	Quota Period	Quota Volume (tonnes)	Duty rate (%)
0802 11 90 0802 12 90	Almonds, fresh or dried, whether or not shelled, other than bitter	1 January to 31 December	90,000	2

Special Measures for Aflatoxin Testing of U.S. almonds: EC Decision 2007/563/EC establishes special conditions for almonds and derived products originating in or consigned from the United States of America due to contamination risks of these products by aflatoxins.

The new regime applies to almonds in shell or shelled, roasted almonds and mixtures of nuts or dried fruits containing almonds, and foodstuffs containing a significant amount of almonds (at least 10 percent). Member States are required to test approximately five percent of almond consignments that have been inspected under the California voluntary aflatoxin sampling program (VASP). For those shipments that do not carry a VASP certificate, Member States are required to test all shipments.

The following special EC and Member State reports detail the effects of these special measures:

<http://useu.usmission.gov/agri/contaminants.html>

Add our reports:

Germany: [GM8007](#)

Spain: [SP7009](#)

EU Tree-Nut Market Enhancement Policy

EC 3/2008 establishes promotion measures for agricultural products on the internal market and in third countries, including tree nuts.

Information and promotion measures: Article 2

The primary interest in promoting farm products lies with producers, wholesalers and retailers, the processing industry, exporters and Member States. Some promotion measures include public relations work, promotion and advertising, information campaigns, etc. On the internal market, the measures may take the form of participation in events, fairs and exhibitions of national or European importance. In third countries, the measures may include participation in events, fairs and exhibitions of international importance, studies of new markets, necessary for the expansion of market outlets and high-level trade visits.

Commodity Name: Almonds, Shelled

PSD Table

Country	EU-27									
Commodity	Almonds, Shelled Basis									
	2006 Revised			2007 Estimate			(HA)(1000 TREES)(MT) 2008 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		09/2006	09/2006		09/2007	09/2007		09/2008	09/2008	MM/YYYY
Area Planted	0	0	739669	0	0	738132	0	0	737300	(HA)
Area Harvested	0	0	642372	0	0	641085	0	0	587900	(HA)
Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	0	0	35000	0	0	45000	0	0	35000	(MT)
Production	0	0	103575	0	0	84000	0	0	108500	(MT)
Imports	0	0	174860	0	0	185000	0	0	195000	(MT)
Total Supply	0	0	313435	0	0	314000	0	0	338500	(MT)
Exports	0	0	7108	0	0	7000	0	0	7500	(MT)
Domestic Consumption	0	0	261327	0	0	272000	0	0	286000	(MT)
Ending Stocks	0	0	45000	0	0	35000	0	0	45000	(MT)
Total Distribution	0	0	313435	0	0	314000	0	0	338500	(MT)

Export Trade Matrix

Country

EU-27

Commodity

Almonds, Shelled Basis

Time Period

Sept/Aug

Units:

Metric Tons

Exports for:

2006

2007

U.S.

1,511

U.S.

1,500

Others

Others

Switzerland	1,629	Switzerland	2,000
Ceuta	682	Ceuta	500
Japan	367	Japan	400
Norway	302	Norway	300
Algeria	276		
Turkey	241		

Total for Others

3,497

3,200

Others not Listed

2,100

2,300

Grand Total

7,108

7,000

Commodity Name: Walnuts, Shelled

PSD Table

Country EU-27

Commodity Walnuts, Inshell Basis

(HA)(1000 TREES)(MT)

	2006 Revised			2007 Estimate			2008 Forecast			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		10/2006	10/2006		10/2007	10/2007		10/2008	10/2008	MM/YYYY
Area Planted	0	0	40900	0	0	40900	0	0	40900	(HA)
Area Harvested	0	0	25000	0	0	25000	0	0	25000	(HA)
Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	0	0	40000	0	0	40000	0	0	30000	(MT)
Production	0	0	50000	0	0	36000	0	0	48500	(MT)
Imports	0	0	167963	0	0	170000	0	0	180000	(MT)
Total Supply	0	0	257963	0	0	246000	0	0	258500	(MT)
Exports	0	0	32850	0	0	20000	0	0	22000	(MT)
Domestic Consumption	0	0	185113	0	0	196000	0	0	206500	(MT)
Ending Stocks	0	0	40000	0	0	30000	0	0	30000	(MT)
Total Distribution	0	0	257963	0	0	246000	0	0	258500	(MT)

Sources:

Area Planted/Area Harvested/Production – Ministries of Agriculture in Spain and France.

Beginning and Ending Stocks/Domestic Consumption – FAS/Europe estimates/forecasts.

Imports/Exports - Global Trade Atlas through 2006. FAS/Europe forecasts otherwise.

Trade Tables

Import Trade Matrix

Country

EU-27

Commodity

Walnuts, Inshell Basis

Time Period

Oct/Sept

Units:

Metric Tons

Imports for:

2006

2007

U.S.

80,156

U.S.

83,000

Others

Others

Moldova	23,185	Moldova	25,000
India	22,194	India	25,000
Chile	15,790	Chile	20,000
China	14,044	China	15,000
Ukraine	6,485	Moldova	

Total for Others

81,698

85,000

Others not Listed

6,109

2,000

Grand Total

167,963

170,000

Export Trade Matrix

Country

Commodity

Time Period

Oct/Sept

Units:

Metric Tons

Imports for:

2006

2007

U.S.

657

U.S.

800

Others

Others

Turkey	11,111	Turkey	10,000
Moldova	5,419	Moldova	6,000
Switzerland	2,692	Switzerland	3,000
Iraq	901		
Albania	892		
Norway	672		

Total for Others

21,687

19,000

Others not Listed

10,506

200

Grand Total

32,850

20,000

Commodity Name: Hazelnuts, Shelled

PSD Table

Country	EU-27								
Commodity	Filberts, Inshell Basis								
	2006 Revised			2007 Estimate			(HA)(1000 TREES)(MT)		
	2006	Revised	Post	2007	Estimate	Post	2008	Forecast	UOM
	USDA	Post	Estimate	USDA	Post	Estimate	USDA	Post	Estimate
	Official	Estimate	New	Official	Estimate	New	Official	Estimate	New
Market Year Begin	09/2006	09/2006		09/2007	09/2007		09/2008	09/2008	MM/YYYY
Area Planted	0	0	0	0	0	0	0	0	0 (HA)
Area Harvested	0	0	90833	0	0	91400	0	0	91400 (HA)
Bearing Trees	0	0	0	0	0	0	0	0	0 (1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	0	0	0 (1000 TREES)
Total Trees	0	0	0	0	0	0	0	0	0 (1000 TREES)
Beginning Stocks	0	0	20000	0	0	50000	0	0	35000 (MT)
Production	0	0	144500	0	0	100700	0	0	144000 (MT)
Imports	0	0	230167	0	0	250000	0	0	240000 (MT)
Total Supply	0	0	394667	0	0	400700	0	0	419000 (MT)
Exports	0	0	10132	0	0	10000	0	0	10000 (MT)
Domestic Consumption	0	0	334535	0	0	355700	0	0	369000 (MT)
Ending Stocks	0	0	50000	0	0	35000	0	0	40000 (MT)
Total Distribution	0	0	394667	0	0	400700	0	0	419000 (MT)

Sources:

Area Planted/Area Harvested/Production – Ministries of Agriculture in Spain and Italy.
Beginning and Ending Stocks/Domestic Consumption – FAS/Europe estimates/forecasts.
Imports/Exports - Global Trade Atlas through 2006. FAS/Europe forecasts otherwise.

Trade Tables

Import Trade Matrix

Country	EU-27	
Commodity	Filberts, Inshell	
Time Period	Sept/Aug	Units:
Imports for:	2006	2007
U.S.	4,237	4,000
Others		Others
Turkey	193,428	Turkey
Georgia	22,306	Georgia
Azerbaijan	3,721	Azerbaijan
Chile	955	Chile
China	621	China
Vietnam	396	
Total for Others	221,427	242,500
Others not Listed	4,503	3,500
Grand Total	230,167	250,000

Export Trade Matrix

Country

EU-27

Commodity

Filberts, Inshell

Time Period

Sep/Aug

Units:

Metric Tons

Exports for:

2006

2007

U.S.

112

U.S.

100

Others

Others

Switzerland	4,448	Switzerland	5,000
Norway	1,195	Norway	2,000
Croatia	806	Canada	1,000
Canada	753	Croatia	1,000
Turkey	554		
Serbia	520		
Brazil	384		

Total for Others

8,660

9,000

Others not Listed

1,360

900

Grand Total

10,132

10,000

Commodity Name: Pistachios, In shell

PSD Table

Country	EU-27								
Commodity	Pistachio, Inshell Basis								
	(HA)(1000 TREES)(MT)								
	2006	Revised	Post	2007	Estimate	Post	2008	Forecast	UOM
	USDA	Post	Estimate	USDA	Post	Estimate	USDA	Post	Estimate
	Official	Estimate	New	Official	Estimate	New	Official	Estimate	New
Market Year Begin	09/2006	09/2006	09/2007	09/2007	09/2007	09/2007	09/2008	09/2008	MM/YYYY
Area Planted	0	0	8407	0	0	8372	0	0	8352 (HA)
Area Harvested	0	0	8307	0	0	8372	0	0	8352 (HA)
Bearing Trees	0	0	0	0	0	0	0	0	0 (1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	0	0	0 (1000 TREES)
Total Trees	0	0	0	0	0	0	0	0	0 (1000 TREES)
Beginning Stocks	0	0	20505	0	0	15000	0	0	14000 (MT)
Production	0	0	9200	0	0	13000	0	0	9200 (MT)
Imports	0	0	118194	0	0	118000	0	0	125000 (MT)
Total Supply	0	0	147899	0	0	146000	0	0	148200 (MT)
Exports	0	0	1886	0	0	2000	0	0	2000 (MT)
Domestic Consumption	0	0	131013	0	0	130000	0	0	132200 (MT)
Ending Stocks	0	0	15000	0	0	14000	0	0	14000 (MT)
Total Distribution	0	0	147899	0	0	146000	0	0	148200 (MT)

Sources:

Area Planted/Area Harvested/Production – Ministries of Agriculture in Italy and Greece.
 Beginning and Ending Stocks/Domestic Consumption – FAS/Europe estimates/forecasts.
 Imports/Exports - Global Trade Atlas through 2006. FAS/Europe forecasts otherwise.

Trade Tables

Import Trade Matrix

Country	EU-27			
Commodity	Pistachios, Inshell Basis			
Time Period	Sept/Aug		Units:	Metric Tons
Imports for:	2006			2007
U.S.	63,393		U.S.	65,000
Others	Others			
Iran	50,276		Iran	50,000
China	1,460		China	1,500
Turkey	1,334		Turkey	1,000
Total for Others	53,070			52,500
Others not Listed	1,731			500
Grand Total	118,194			118,000

Export Trade Matrix

Country

EU-27

Commodity

Pistachios, Inshell Basis

Time Period

Sep/Aug

Units:

Metric Tons

Exports for:

2006

2007

U.S.

224

U.S.

200

Others

Others

Melilla	363	Melilla	500
Russia	222	Russia	300
Switzerland	218	Switzerland	200
Iran	174	Iran	100
Ceuta	107		
Serbia	87		

Total for Others

1,171

1,100

Others not Listed

491

700

Grand Total

1,886

2,000